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IMPLEMENTATION COMPLETION AND RESULTS REPORT

FOR A

SMALL GRANT # TF-A3851

IN THE AMOUNT OF US\$0.27 MILLION

TO THE

MINISTRY OF FINANCE

FOR

THE SIERRA LEONE AUDIT SERVICE CAPACITY BUILDING SUPPORT PROJECT (P161814)

June 30, 2019

Governance Global Practice
Africa Region

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ABBREVIATIONS AND ACRONYMS

AG	Auditor General
ASB	Audit Service Board
ASSL	Audit Services of Sierra Leone
CBP	Capacity Building Project
CPIA	Country Policy and Institutional Assessment
CSO	Civil Society Organizations
FY	Fiscal Year
GDP	Gross Domestic Product
GoSL	Government of Sierra Leone
GST	Goods and Services Tax
ICR	Implementation Completion and Results Report
IDA	International Development Association
IFMIS	Integrated Financial Management Information System
INTOSAI	International Organization of Supreme Audit Institutions
ISR	Implementation Supervision Report
MDAs	Ministries, Departments, and Agencies
MOFED	Ministry of Finance and Economic Development
M&E	Monitoring and Evaluation
MTR	Medium-Term Review
NSA	Non-State Actors
PDO	Project Development Objective
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PFMICP	Project Financial Management Improvement and Consolidation Project
PMU	Project Management Unit
RAM	Revenue Audit Manual
SAI	Supreme Audit Institution
SOE	State-owned Enterprise
TTL	Task Team Leader
WHO	World Health Organization

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DATA SHEET

BASIC INFORMATION

Product Information

Project ID	Project Name
P161814	Sierra Leone Audit Service Capacity Building Support Project
Country	Financing Instrument
Sierra Leone	Investment Project Financing
Original EA Category	Revised EA Category
Not Required (C)	

Organizations

Borrower	Implementing Agency
Ministry of Finance	Audit Service Sierra Leone

Project Development Objective (PDO)

Original PDO

To improve the quality and efficiency of public sector audit, thereby strengthening external oversight over the management of public resources in Sierra Leone



FINANCING

	Original Amount (US\$)	Revised Amount (US\$)	Actual Disbursed (US\$)
Donor Financing			
TF-A3851	270,000	270,000	228,537
Total	270,000	270,000	228,537
Total Project Cost	270,000	270,000	228,537

KEY DATES

Approval	Effectiveness	Original Closing	Actual Closing
03-Feb-2017	11-May-2017	31-Jan-2019	31-Jan-2019

RESTRUCTURING AND/OR ADDITIONAL FINANCING

Date(s)	Amount Disbursed (US\$M)	Key Revisions
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KEY RATINGS

Outcome	Bank Performance	M&E Quality
Satisfactory	Satisfactory	Substantial

RATINGS OF PROJECT PERFORMANCE IN ISRs

No.	Date ISR Archived	DO Rating	IP Rating	Actual Disbursements (US\$M)
01	18-May-2017	Satisfactory	Satisfactory	0.00
02	08-Jun-2018	Satisfactory	Moderately Satisfactory	0.22

ADM STAFF

Role	At Approval	At ICR
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I. PROJECT CONTEXT AND DEVELOPMENT OBJECTIVES

A. Context at Appraisal

- 1. Since the end of the civil war in January 2002, Sierra Leone has made strong progress in building peace, re-establishing democratic institutions, strengthening core systems, and bringing decisions and resources closer to its citizens through decentralization.** Until the outbreak of the Ebola epidemic in 2014 through 2015, the country had achieved macroeconomic stability. The gross domestic product (GDP) growth rates had averaged an impressive 7 percent, and inflation had dropped to single digits. This reflected a continued tight monetary policy stance, a stable exchange rate, and some moderation of prices. The country's external current account deficit had declined and recorded increased financial reserves at the end of 2013. The strong average growth rate of the economy has coincided with a reduction in poverty. Indeed, the poverty rate had declined from 66.4 percent in 2003 to 52.9 percent in 2011. Despite this period of growth, the country remains a low-income country and one of the poorest, with a GDP per capita of US\$513 in 2013.
- 2. The outbreak of the Ebola epidemic in 2014 through 2015 had a devastating socioeconomic impact on the country, reversing the prior modest economic gains it has enjoyed.** The epidemic was recorded to have caused about 3,953 deaths by early 2016 when it was declared over by the World Health Organization (WHO). Additionally, about 8,345 children were orphaned, and more than 1,100 households were left with single parents. Economically, the outbreak derailed the government's economic program because of the persistent pressure to divert government expenditures to deal with the outbreak. Furthermore, since the outbreak, revenue mobilization — overly dependent on exceptional collection from the mining sector (iron ore) and oil exploration licenses — had been affected by a fall in global commodity prices, thereby leading to a significant decrease in revenues. The Ebola epidemic also meant that real GDP contracted over the second half of 2014 by an annualized rate of -1.3 percent compared with an impressive annualized growth rate of 11.3 percent of 2014, and 20.7 percent in 2013. Although the Government has developed the Ebola recovery strategy to address the immediate short-term effects, there is still a need to strengthen post-Ebola growth prospects by supporting key sectors in the country.
- 3. The country remains a fragile state with a Country Policy and Institutional Assessment (CPIA) rating of 3.26 in fiscal year (FY) 2015.** Despite the remarkable progress achieved since the end of the civil war, Sierra Leone's state institutions remain weak and marred by limited human capacity and elite capture. Furthermore, they are also subject to political interests, resulting in poor transparency and accountability.
- 4. Improving transparency and accountability in the public sector is crucial to building a broader consensus around development strategies.** While efforts have been made in the country to promote budget openness and public financial management, overall the country still has significant weaknesses in the area of spending oversight both at the central and local government levels, including state-owned enterprises. Building capacity in the country's oversight institutions to improve transparency and accountability is, therefore, deemed essential. Accordingly, strengthening the Audit Service Sierra Leone (ASSL), which is the country's Supreme Audit Institution (SAI), will be key to providing strong oversight and achieving better governance and public sector reforms under the agenda for prosperity.
- 5. Overall, the country's public financial management (PFM) remains weak.** Over the years, efforts by donor-partners have yielded some improvements through the implementation of several reform initiatives.



However, significant capacity constraints and other concerns still exist in government institutions. The weak PFM environment has resulted in a lack of sustained fiscal discipline and inadequate personal accountability in the country. The Public Expenditure and Financial Accountability (PEFA) Assessments conducted in the country since 2008 have all emphasized weak budget credibility and predictability, fiscal management challenges, poor expenditure control (particularly development expenditures), and poor transparency as major national concerns requiring immediate attention. Budget execution also faces significant challenges due to limited resources amid expenditure pressures, often setting the stage for a tight fiscal envelope in recent years.

6. **Despite the gains made in the audit reform area in Sierra Leone, a number of problems still remain.** These include corruption in contract management, problems in auditing the justice sector institutions in totality given the core function they provide, and general leakages of resources through embezzlement. Further, inconsistencies in records, erroneous postings, missing supporting documentation, as well as salary payment irregularities are key issues that the ASSL faces year after year. More broadly, there continues to be lapses in the financial management system in Sierra Leone, which have ultimately resulted in the loss of funds and a reduction in the quality of service delivery by key ministries. For instance, serious procurement malpractices exist despite the existence of the Procurement Law supported by a procedural manual and a directorate in the Ministry of Ministry of Finance and Economic Development (MOFED). These procurement lapses in public institutions dominate concerns expressed in qualified audits by the ASSL. Common problems cited include a lack of supporting documentation and poor transparency. A strong ASSL would unearth these anomalies to ensure that appropriate reforms and actions are taken to address them.

7. **Internal audit and controls are weak at the Ministries, Departments and Agencies (MDAs) and other Government institutions.** For instance, only a few MDAs have internal auditors. However, these internal auditors lack the capacity to provide any meaningful internal audit services consistent with international standards. Their work is mainly confined to pre-audits of transactions. They lack the requisite capacity to undertake audits in the Integrated Financial Management Information System (IFMIS) environment. Due to the limited scope and poor quality of their work, the audit service does not place reliance on their own work. Additionally, although audit committees have been formed in the MDAs, only a few are actually functioning.

8. **The Audit Services Sierra Leone, the Supreme Audit Institution of the country, is mandated by law to be the auditor of the Government as espoused in Section 119(2) of the 1991 Constitution.** This section also empowers the Auditor General to audit all government MDAs, educational institutions and any other statutory body. In this context, it reports to Parliament on matters it deems fit. The Act further provides for the establishment of the Office of the Auditor-General, and an Audit Service Board (ASB). The ASB is an advisory board empowered to appoint persons other than the Auditor-General to hold or act in offices as members of the Audit Service. The Board also exercises disciplinary control over officers of the Audit Service. Thus, the ASSL was created as an independent body with administrative and functional autonomy.

9. **Although the ASSL is responsible for auditing the central and local governments and state-owned enterprises (SOEs), in practice, some of these audits are contracted out to privately-owned audit firms.** In such cases, however, the ASSL retains the responsibility for such audits and submits reports about them to the Parliament as part of its annual report. The Government Budgeting and Accountability Act (GBAA) of 2005 spelled out the Auditor-General's responsibilities, which include conducting financial, compliance, and performance audits. Since July 1, 2016, the country has a new PFM Act which details the responsibilities of the Auditor-General.



10. **Under the country's Agenda for Prosperity (2013-2018), the work of the ASSL is included under pillar 7, which is entitled "Governance and Public Sector Reform".** The country's overarching agenda for prosperity highlights specific objectives for the ASSL include to, specifically to: (i) build capacity to cover at least 90 percent of government expenditures by 2015 (this could not be achieved); (ii) build capacity to enable the ASSL to move to specialized audits, such as forensic, and environmental audits, while still being grounded in performance audits (the target was to publish 20 performance audits by 2017); (iii) work with other stakeholders to spread awareness of the ASSL roles and responsibilities; and (iv) conduct annual surveys to gauge public perceptions about the relevance and quality of published audit reports.

11. **Despite the important roles expected to be played by the ASSL in the government's PFM reform strategy, it is significantly constrained.** The ASSL audit reports reveal significant capacity constraints including the lack of up-to-date audit standards, and inadequate human and financial resources. The audit scope is limited, and coverage is exclusively focused on reviews of budget execution reports and compliance issues. Although it has established a quality assurance unit, it is not yet operational. Further, its working papers are not consistent with the International Organization of Supreme Audit Institutions (INTOSAI) and international standards. The national anti-corruption strategy of 2014-2018 noted some of the constraints of the ASSL, including the perceived lack of capacity to conduct systems, performance, and forensic audits; persistent allegations about auditor corruption; and lack of due attention given to ASSL's reports by the Public Accounts Committee.

12. **The lack of public awareness of the existence of the ASSL and its expected oversight roles and responsibilities is also a concern.** The ASSL has engaged in limited civil society engagement, with an attendant inadequate knowledge of its roles and contribution to the country. This often results in a lack of cooperation from stakeholders, including a lack of appreciation of the services it renders. The complexity of its reports also discourages the public from reading and understanding these important documents.

13. **The successful implementation of PFM reforms in the country demands a stronger and better equipped ASSL that can efficiently fulfill its mandate — and be appreciated by all stakeholders.** For example, the need for greater capacity at the ASSL has been heightened as the government of Sierra Leone (through the MOFED) has incorporated sectoral/sustainable development goal considerations into its budgetary processes. As such, the ASSL will need to include in its audit plans the verification of the implementation of these strategies.

14. **Although ASSL has enjoyed support from several development partners in building appropriate structures and processes to promote transparency and accountability and mitigate the fiduciary risk of utilizing public funds, much support is still needed to achieve the desired competency of the audit service.** Strengthening the capacity of the Audit Service Sierra Leone through this financing will focus on developing core professional staff capacities since other areas are already funded. Such efforts will go toward buttressing development and strengthening audit methods, the development of audit manuals, improving the planning and management of professional work, as well as strengthening the development of quality assurance methodologies which are being funded by the Project Financial Management Improvement and Consolidation Project (PFMICP).

15. Once in place, the professional capacity would help to strengthen overall organizational capacity. Areas for improvement include corporate strategic planning, strengthened leadership and management, as well as developing skills to better manage financial and human resources. Consequently, the ASSL will be in a stronger position to deal with the external environment. It would be able to more effectively engage with Parliament for



oversight purposes, as well as with the executive branch, audited bodies, donors, regional audit bodies, the media, professional associations and the private sector.

16. **The SAI PFM Assessment conducted in 2012 confirmed the weak governance and public financial environment in which the ASSL operates in the country.** The report acknowledged that over the years, the ASSL has received sustained donor support and has benefitted from the availability of INTOSAI regional capacity development progress. However, it highlighted the low quality of the audit work, confirming the need for continuous efforts in capacity building at the ASSL.

Project Development Objectives (PDOs)

17. The Project Development Objective (PDO) is ‘to improve the quality and efficiency of public sector audit, thereby strengthening external oversight over the management of public resources in Sierra Leone’. It was designed to contribute to the Country Assistance Strategy (2010-2013),¹ which identified transparency and accountability in the public sector as a cross-cutting area crucial to the building of a broader consensus around development strategies. The development objective was also designed to be strongly aligned with the Government’s PFM Reform Strategy of 2014-2017, which sought to develop the basis for the government to accelerate PFM reforms. In addition, it sought to establish an efficient, effective, and transparent PFM system that minimizes opportunities for corruption.

Key Expected Outcomes and Outcome Indicators

18. The PDO and the Results Framework were not revised during project implementation. The Results Framework developed during the appraisal was the basis for assessing progress from the project launch until the end of January 31, 2019, when the project closed. As such, it was the basis for assessing the final outcomes and results at the Implementation Completion and Results Report (ICR) stage.

Main Beneficiaries:

19. The core project beneficiary was the ASSL, which has achieved strengthened capacity to undertake its assignments. The general public has also benefited from enhanced transparency and accountability in the use of public funds, specifically through the quality and timeliness of audits by the ASSL.

¹ Sierra Leone -Country Assistance Strategy FY10-FY13 Report No. 69913-SL



Components (as approved)

20. The project components, as approved, are presented in table 1. The project components remained relevant to the PFM Reform Strategy of the Government of Sierra Leone (GoSL). They targeted the strengthening of ASSL capacity throughout the implementation period and beyond.

Table 1: Project Components

Project Components	Original US\$	% of Cost	Final US\$	% of Cost
1.Training of staff, including the engagement of a consultant to train staff on revenue audits.	150,000	55.6	150,000	55.6
2.Training of selected staff by a Consultant to develop and publish a simplified version of audit reports, including pictorial and vocal depictions.	70,000	25.9	70,000	25.9
3. Project management, monitoring and evaluation (M&E) and auditing.	50,000	18.5	50,000	18.5
Total Original Cost	270,000	100	227,445	100

21. The component details are as follows:

22. **Component 1: Strengthening Professional Capacity**

The objective of this component was to create professional capacity to support the strengthening of the financial oversight roles of the ASSL, and the submission of timely quality audits to the Public Accounts Committee to ensure transparency and accountability in the use of public funds. Activities financed under this component included the: (i) engagement of a consultant to provide ‘hands-on’ training and development for ASSL in revenue audits. The maximization of revenue collection has become a priority area for the Government and donors. As such, the audit of government revenues has become a priority audit focus. As ASSL was limited in its capacity to conduct this type of audit, the SAI sought support to engage a consultant to provide hands-on training in revenue audits to equip the staff with the skills necessary to undertake this specialized audit on their own; and (ii) relevant logistical support.

23. **Component 2: Enhanced Understanding of ASSL Audit Reports Issued**

The objective of this component was to make it easier for the public to read and appreciate reports issued by the institution. Activities that were approved to be financed under this component included the engagement of consultants to train and develop ASSL staff so that they could produce simplified versions of ASSL audit reports. This included developing pictorial and vocal depictions for the benefit of the public to promote a better understanding of audit findings

24. **Component 3: Project Management, M&E and Audit**

This component was to finance a Project Coordinator (Deputy Auditor-General Finance and Corporate Services) as head of the in-house project management team within the ASSL to support and facilitate the interaction among different units within the ASSL, as well as interactions with the Project Management Unit (PMU) regarding overall



project monitoring. The component also financed audits, monitoring and evaluation, and other project management related expenses.

OUTCOME

Assessment of Achievement of Each Objective/Outcome

25. **Relevance of Objectives.** The objective of the project was to support the GoSL in strengthening the ASSL, which provides external oversight of the management of public resources in the country. The objective was relevant since the activities were developed to contribute to the Country Assistance Strategy of FY10-FY13, which identified transparency and accountability in the public sector as a cross-cutting area crucial to a building broader consensus around development strategies. The objective was also consistent with the Country's overall PFM Strategy, which was directed toward all dimensions of the PFM system. As the ASSL undertakes audits of all public bodies which are a key link in the formal system of financial accountability in Sierra Leone, the project resulted in a significant improvement in the effectiveness of the overall PFM accountability systems.

26. **Relevance of Design and Implementation.** The project aimed to achieve improvement in the quality and efficiency of public sector audits. The proposed design aligned strongly with the Government's needs outlined in the PFM reform strategy 2014-2017, which sought to promote a formal system of financial accountability in the country, among other objectives. The M&E framework indicators were designed to assess the achievement of the PDO along those two dimensions. The design and implementation of the M&E framework made project monitoring more effective in terms of assessing the degree to which the project activities contributed to the achievement of the PDO. There were three PDO indicators and one intermediate result that measured the project's objectives. All three PDO indicators were fully achieved. The intermediate indicator was also achieved.

27. The following paragraphs provide a detailed analysis of the achievement of the three dimensions in strengthening the ASSL in its efforts to provide effective external oversight of the management of public resources in the country.

28. **Number of Revenue Audits.** This indicator assessed the level of revenue audits prepared by staff trained by a consultant providing 'hands-on' training. Additionally, a revenue manual was to be developed by the consultant as an intermediate indicator. It would serve as a reference document for the ASSL. The final target was for the ASSL to be able to prepare three revenue stream audits. All the indicators were achieved by the end date of the project implementation period (that is, January 31, 2019). At the end of the project, working with the consultant, the ASSL had prepared and finalized three revenue audits for the National Revenue Authority. The Revenue Audit Manual had also been prepared and approved by the ASSL. Additionally, 23 ASSL staff had received 'hands-on training' in revenue audits. Consequently, the project outcome of strengthening capacity in the ASSL to undertake revenue audits was achieved. In the medium term, this outcome is expected to translate into enhanced professional capacity of the Audit Service. Specifically, it will strengthen its oversight role and lead to a reduction in the time it takes to submit quality audits to the Public Accounts Committee. Overall, this will contribute to strengthening transparency and accountability in the use of public funds.



29. **Publication of simplified annual audit reports, including the development of pictorial and vocal depictions.** This indicator assessed the number of annual audit reports which have been simplified, including pictorial and vocal depictions by staff of the Audit Service. They were trained by the consultant hired for the project. At the end of the project, eight audit reports of entities in the Auditor-General's reports for 2016 and 2017 tabled by Parliament had been simplified with pictorial depictions. Thus, the project end target was achieved. These reports were prepared by seven staff trained for this purpose as part of the project. The simplified versions of the annual audit reports have been published on the ASSL's website. The end users of this simplified information are the public who are not accustomed to reading volumes of audit reports with technical details. The simplified reports will enhance the decision-making capabilities of groups such as Non-State Actors (NSAs), including civil society organizations, who cannot present such simplified financial information to citizens and other interested stakeholders. This simplification has enhanced the public reading, appreciation, and understanding of audit reports. Thus, the project outcome of strengthening capacity through equipping ASSL staff with the requisite skills to produce simplified versions of ASSL reports was achieved.

30. **Increase in public respondents with a positive impression of the Auditor General's annual report.** This indicator assessed the percentage of public respondents with a positive impression of the simplified version of the Auditor General's annual report. The end target was baseline +10 percent. However, there was no baseline data and survey. At the end of the project, the survey conducted on the simplified version with pictorial depictions of the 2016 Annual Report showed 91 percent of public respondents had a positive impression of the Auditor General's report. The respondents that participated in the survey included staff from MDAs, public enterprises, Commissions, Local Councils and NSAs. The survey mechanism did include respondent feedback. Accordingly, the ASSL would take action to implement recommendations from the respondents geared toward enhancing the quality of their report. The simplified version of annual reports produced and the high level of public respondents showing a positive impression of the Auditor-General's work confirm that the project's outcome of enhancing civil society engagement to create awareness and promote understanding of the audit reports was achieved.

Overall Outcome Rating

Rating: Satisfactory

31. This ICR rates the overall outcome as Satisfactory based on the assessment that the achievement of the PDO was satisfactory. Additionally, the relevance of objectives, design and implementation of the project are satisfactory.

KEY FACTORS THAT AFFECTED IMPLEMENTATION AND OUTCOME

32. The ASSL was committed to the project from the design stage until the end of implementation. In essence, there was strong client ownership and dedication to project implementation. Institutional arrangements for the project included a dedicated in-house team headed by the Deputy Auditor General (Finance and Corporate Services), a Financial Management Specialist and a Procurement Officer. However, the Procurement Officer resigned from ASSL midway through project implementation. This resignation did not have any significant impact on the implementation though, as the Bank's Procurement team provided effective assistance to the in-house team.



33. The appropriate number of management staff including procurement, financial management, and M&E Specialists were maintained throughout implementation. This in-house team was supported by experienced fiduciary staff, including the World Bank Financial Management Specialist, a Procurement Specialist, and a Monitoring and Evaluation Specialist from another World Bank funded project. The project enjoyed close World Bank support through regular supervision, missions and advice provided by an in-country based Task Team Leader (TTL). It effectively utilized the technical assistance which contributed to the achievement of deliverables. With adequate resources on hand, work plans were implemented and the ASSL effectively met its fiduciary requirements in relation to financial management, procurement, and external audit. Throughout the project life, financial records were maintained, annual external audits were commissioned on time and the reports were delivered to the Bank within the stipulated six months after the preceding financial year. Progress reports were also prepared. However, the Results Framework was managed toward the end of project implementation when a M&E Specialist became available. The rating of the project was Satisfactory instead of Highly Satisfactory on a purely prudent basis.

BANK PERFORMANCE, COMPLIANCE ISSUES, AND RISK TO DEVELOPMENT OUTCOME

Bank Performance

(a) Bank Performance in Ensuring Quality at Entry

34. Quality at entry is rated 'Satisfactory' for the following reasons. On the positive side: (a) the project design applied a number of lessons drawn from previous experience in PFM and public sector management reforms undertaken in Sierra Leone; (b) the task team comprised the right skills mix during preparation; (c) preparation was well coordinated with development partners to avoid duplication of efforts; (d) Bank support focused on ASSL's agenda and priorities; (e) the Bank team correctly identified the need for appropriate institutional arrangements for managing the reform process to ensure reforms are institutionalized and linked to a clear strategic framework developed by the ASSL. On the negative side, however, despite the full involvement of the ASSL in the formulation of the results at the entry stage, the task team realized (at the mid-term implementation point) that the Results Framework was not adequately understood by the project management team and had to be explained to avoid confusion. The clarification provided resulted in a positive outcome, and client understanding was enhanced, with a sustained commitment to achieving the results indicators.

(b) Quality of Supervision

Rating: Satisfactory

35. An Implementation Supervision Mission was conducted every year. Additionally, project implementation was reviewed during the Implementation Supervision Mission of the Public Financial Management Improvement and Consolidation Project² (PFMICP), which happened twice every year because

² Sierra Leone-AFRICA-P133424-Public Financial Management Improvement and Consolidation Project



both projects were managed by the same task team. Also, the small size of the project could easily be accommodated by the PFMICP mission. There was no change in membership of the task team throughout project implementation.

36. The task team provided prompt responses to procurement requests from the project management. The average period of response to requests for no-objection and review of terms of references was two working days, except for a few times when documents were not adequate, and/or the procedures used were not consistent with the agreed guidelines. Therefore, it took longer in these cases to process than the norm of two working days.

37. Throughout project implementation, the Bank team adopted a pro-active approach, demonstrating flexibility in addressing issues. The task team supported the Government (ASSL) in its achievement of developmental impact in accordance with the agreed timetable for implementation of key activities. Action-oriented mission reports were prepared at the end of each mission and the Implementation Status and Results Reports (ISRs) were frank with justifiable ratings.

38. The Medium-Term Review (MTR) assessed progress and highlighted issues. It also proposed remedial actions that were agreed upon, which led to more focused attention to resolution of priority issues.

39. The Bank task team was composed of technical experts who are qualified with the requisite experience in the various key areas of the project. As such, the implementation support missions yielded very detailed and constructive recommendations for reaching or meeting practical and beneficial results.

40. Overall, the Bank was able to craft a constructive, steady relationship and partnership with the Government.

(c) Justification of Rating for Overall Bank Performance

Rating: Satisfactory

Given the 'Satisfactory' rating for quality at entry and the satisfactory rating for supervision, ICR guidance requires overall Bank performance to conform with the outcome rating, which was Satisfactory.

Government (ASSL) Performance

41. Project management was rated 'satisfactory' throughout the implementation period. The submission of the required reports, including progress reports and the quarterly Interim Unaudited Financial Reports (IFRs), were timely and of the desired quality. However, the initial procurement issue regarding consultants caused a temporary delay in the implementation of component one, namely the implementation of the revenue audit. The national elections in 2018 delayed, to some extent, the implementation timeline of some of the activities. The project financial statements were unqualified and there were no major issues reported in any external audit.

Rating: Satisfactory



I. LESSONS LEARNED AND RECOMMENDATIONS

42. **Knowledge of procurement arrangements.** There is a need for a sound understanding among procurement/government officials of International Development Association (IDA) financial management practices, especially procurement guidelines for all components associated with project operations. Key to this is a strengthened Procurement Unit with a vast knowledge of IDA procurement and financial management rules. Such knowledge must in turn be shared with the respective implementing agencies through well-structured capacity-building initiatives. This facilitates project implementation and eliminates challenges throughout the course of implementation that may result from a weak knowledge of IDA fiduciary rules. Therefore, it is important that the World Bank continue to provide capacity-building support to relevant GoSL staff, especially when new procurement guidelines are introduced.

43. More frequent meetings between stakeholders promote better understanding and efficiency. Throughout project implementation, there were frequent meetings between the task team and the Government team (ASSL). Effective communication provides for timely intervention in addressing any misunderstandings and problems that may occur midstream.

44. Another lesson learned concerns the importance of designing simple operations that are well aligned with client needs. This leads to better ownership in the course of project implementation and positively impacts the sustainability aspect upon project completion. In addition, considering the client's misunderstanding of the Results Framework and related indicators which had to be explained midway through implementation, it is important to define and operationalize an effective and efficient M&E system that the client understands and is able to use it to monitor project performance in the course of implementation.



ANNEX 1. RESULTS FRAMEWORK AND KEY OUTPUTS

A. RESULTS INDICATORS

A.1 PDO Indicators

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Publication of simplified Annual Audit Reports including developing pictorial and vocal depictions	Number	0.00 01-Feb-2017	8.00 31-Jan-2019	8.00 31-Jan-2019	8.00 31-Jan-2019

Comments (achievements against targets):

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Number of revenue audits	Number	0.00 01-Feb-2017	3.00 31-Jan-2019	3.00 31-Jan-2019	3.00 31-Jan-2019



Comments (achievements against targets):

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
% of public respondents with positive impression of AG's Annual Report	Percentage	0.00	10.00	10.00	10.00
		01-Feb-2017	31-Jan-2019	31-Jan-2019	31-Jan-2019

Comments (achievements against targets):

A.2 Intermediate Results Indicators

Component: Enhanced understanding of ASSL audit reports issued

Indicator Name	Unit of Measure	Baseline	Original Target	Formally Revised Target	Actual Achieved at Completion
Revenue Audit Manual	Number	0.00	1.00	1.00	1.00
		01-Feb-2017	31-Jan-2019	31-Jan-2019	31-Jan-2019

Comments (achievements against targets):



B. ORGANIZATION OF THE ASSESSMENT OF THE PDO

Objective/Outcome 1: Strengthening Capacity	
Outcome Indicators	<ol style="list-style-type: none"> 1. Publication of simplified annual audit reports, including developing pictorial and vocal depictions. 2. Number of Revenue Audits.
Intermediate Results Indicators	<ol style="list-style-type: none"> 1. Creation of a Revenue Audit Manual.
Key Outputs by Component (linked to the achievement of the Objective/Outcome 1)	<ol style="list-style-type: none"> 1. ASSL staff have been able to simplify 8 annual audit reports, including developing pictorial and vocal depictions of individualized reports within the Auditor-General’s reports tabled in Parliament for the years 2016 and 2017. The graphic summaries could be accessed at www.auditservice.gov.sl. 2. The ASSL has been able to conduct three revenue audits for the National Revenue Authority (NRA), namely for the Personal Income Tax, the Domestic Goods and Services Tax (GST), and the Petroleum Excise Duty. 3. ASSL now has a Revenue Audit Manual for effective reference.
Objective/Outcome 2: Enhancing civil society engagement to create awareness and promote understanding of the audit reports	
Outcome Indicators	Percent of public respondents with a positive impression of the Auditor General’s annual report.



Intermediate Results Indicators	
Key Outputs by Component (linked to the achievement of the Objective/Outcome 2)	The ASSL has conducted a Perception Survey regarding the Auditor General's 2016 summary report to assess the extent of public impressions about its role.



ANNEX 2. PROJECT COST BY COMPONENT

Components	Amount at Approval (US\$M)	Actual at Project Closing (US\$M)	Percentage of Approval (US\$M)
Component 1- Strengthening Professional Capacity	0.15	.15	0.00
Component 2: Enhanced understanding of ASSL audit reports issued	0.07	.06	0.01
Component 3: Project management, M&E, and Audit	0.05	.02	0.03
Total	0.27	0.23	0.04

The balance of \$0.04m was saved mainly from projected salaries of project staff. This amount has already been refunded to the Bank.



ANNEX 3. RECIPIENT, CO-FINANCIER AND OTHER PARTNER/STAKEHOLDER COMMENTS

AUDIT SERVICE SIERRA LEONE (ASSL) – BRIEF SELF ASSESSMENT ON ACHIEVEMENT OF SAI CBP OBJECTIVES

Project Development Objective

The Project Development Objective (PDO) of the Supreme Audit Institution Capacity Building Project for Sierra Leone was to improve the quality and efficiency of public sector audits, thereby strengthening external oversight of the management of public resources in Sierra Leone.

Production of Revenue Audit Manual

One of the milestones achieved under this donor-supported project was the production of the Revenue Audit Manual (RAM). The intention was that the RAM would form both a theoretically robust source of reference for auditors, as well as a practical working tool. To enable this dual objective to be achieved, the theoretical aspects were encapsulated in the body of the RAM. However, a number of supporting templates were also developed for use by the auditors as they went about their work. These templates are based on existing documents already used by ASSL in their work, but adapted specifically to a revenue audit environment.

As a result, staff now feel comfortable with the basic layout and design of the forms, and they are able to use them in their revenue audit work.

Production of Summary Report

The staff of the ASSL have received training to conduct summary and graphical reporting of the Auditor General's report. They were able to produce the summarized version of the 2017 report, which has now been published and posted on the ASSL website.

In summary, the project objectives have been achieved with respect to improving the quality and efficiency of public sector audits, thereby strengthening external oversight of the management of public resources in Sierra Leone.

